

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:

F21 OPCO, LLC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 25-10469 (MFW)

(Jointly Administered)

Ref: Docket No. 107

**ORDER (I) APPOINTING SSG ADVISORS, LLC AS INVESTMENT BANKER  
TO THE DEBTORS EFFECTIVE AS OF THE PETITION DATE, AND (II) WAIVING  
COMPLIANCE WITH CERTAIN OF THE REQUIREMENTS OF LOCAL RULE 2016-1**

Upon the application (the “**Application**”)<sup>2</sup> of the Debtors for entry of an order (this “**Order**”) authorizing the Debtors to retain SSG as their investment banker effective as of the Petition Date, as more fully set forth in the Application; and upon the *Declaration of Teresa C. Kohl in Support of the Debtors’ Application for Entry of an Order (I) Authorizing the Debtors to Employ and Retain SSG Advisors, LLC as Investment Banker Effective as of the Petition Date, and (II) Waiving Compliance with Certain of the Requirements of Local Rule 2016-1* (the “**Kohl Declaration**”); and this Court having reviewed the Application and the Kohl Declaration; and this Court having jurisdiction to consider the Application and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that this Court may enter

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: F21 OpCo, LLC (8773); F21 Puerto Rico, LLC (5906); and F21 GiftCo Management, LLC (6412). The Debtors’ address for purposes of service in these Chapter 11 Cases is 110 East 9th Street, Suite A500, Los Angeles, CA 90079.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Application.



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a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Application in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Application has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and this Court having determined that the relief requested in the Application is in the best interests of the Debtors, their estates, their creditors, and other parties in interest, it is hereby

**ORDERED, ADJUDGED, AND DECREED THAT:**

1. The Application is GRANTED, as set forth herein.
2. The Debtors are authorized, pursuant to sections 327(a) and 328(a) of the Bankruptcy Code, to engage, effective as of the Petition Date, upon the terms and for the purposes set forth in the Application and in the Engagement Agreement attached to the Application as **Exhibit C** as modified herein, SSG as investment banker for the Debtors in these Chapter 11 Cases.
3. SSG will submit monthly fee invoices to the Office of the United States Trustee for the District of Delaware (the “**U.S. Trustee**”) and any official committee of unsecured creditors (the “**Committee**”) describing in narrative fashion the work performed during the monthly period by each professional working on the engagement. For the avoidance of doubt, SSG shall be entitled to the payment of its Monthly Fee on the fifteenth (15th) of the month as provided by the Engagement Agreement while submitting the monthly fee invoice as described herein, without the need for monthly or interim applications for compensation, and the U.S. Trustee shall have review rights pursuant to section 330 of the Bankruptcy Code.

4. With respect to payment by the Debtors' estates of any Transaction Fee, Alternative Sale Fee, and expense reimbursements, SSG shall file a final fee application for final allowance of compensation for services and reimbursement of expenses pursuant to the procedures set forth in sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any applicable orders of this Court. For the avoidance of doubt, as set forth in the Engagement Agreement, SSG shall be entitled to either a Transaction Fee or an Alternative Sale Fee, but not both. SSG's compensation shall be subject to the standard of review provided in section 328(a) of the Bankruptcy Code and not subject to any other standard of review under section 330 of the Bankruptcy Code, other than the U.S. Trustee's review as set forth above. Notwithstanding any provision to the contrary in this Order, the U.S. Trustee shall have the right to object to SSG's request for final compensation based on the reasonableness standard provided in section 330 of the Bankruptcy Code, not section 328(a) of the Bankruptcy Code. This Order and the record relating to the Court's consideration of the Application shall not prejudice or otherwise affect the rights of the U.S. Trustee to challenge the reasonableness of SSG's fees under the standard set forth in the preceding sentence. Accordingly, nothing in this Order or the record shall constitute a finding of fact or conclusion of law binding the U.S. Trustee, on appeal or otherwise, with respect to the reasonableness of SSG's fees.

5. Notwithstanding anything to the contrary in this Order, the Application, the Engagement Agreement, or the Kohl Declaration, SSG shall comply with all requirements of Bankruptcy Rule 2016(a) and Local Rule 2016-1, including all information and time keeping requirements of Local Rule 2016-1(d), except that SSG shall be permitted to keep professional time records in half-hour (0.50) increments, shall not be required to keep time records on a project category basis, and shall not be required to conform to any schedule of hourly rates for its

professionals. SSG shall maintain records of services rendered for the Debtors, including summary descriptions of those services, the time expended in providing those services, and the identity of the individuals who provided those services. SSG shall include such records in its final fee application. SSG must submit monthly fee invoices to the U.S. Trustee and the Committee, describing in narrative fashion the work performed during the monthly period by each professional working on the engagement. SSG must submit the monthly fee invoices to the U.S. Trustee and any Committee by the twentieth (20th) day of each calendar month.

6. To the extent that SSG uses the services of independent contractors or subcontractors (collectively, the “**Contractors**”) in these Chapter 11 Cases, SSG shall: (a) pass through the cost of such Contractors at the same rate that SSG pays the Contractors; (b) seek reimbursement for actual costs only; (c) ensure that the Contractors are subject to the same conflicts checks as required for SSG; and (d) file with this Court such disclosures required by Bankruptcy Rule 2014.

7. In the event that, during the pendency of this case, SSG seeks reimbursement for any attorneys’ fees and/or expenses, the invoices and supporting time records for such attorneys shall be included in SSG’s fee applications, and such invoices and time records shall be in compliance with Bankruptcy Rule 2016 and Local Rule 2016-1(f). SSG shall not seek reimbursement from the Debtors’ estates for any attorney’s fees or expenses incurred in defending against any formal objections to SSG fee applications filed in these Chapter 11 Cases.

8. The indemnification provisions of the Engagement Agreement are approved, subject during the pendency of these Chapter 11 Cases, to the following:

- (a) SSG shall not be entitled to indemnification, contribution or reimbursement pursuant to the Engagement Agreement for services, unless such services and the indemnification, contribution or reimbursement therefore are approved by the Court;

- (b) Notwithstanding any provision of the Engagement Agreement to the contrary, the Debtors shall have no obligation to indemnify or provide contribution or reimbursement to SSG for any claim or expense to the extent that it is either: (i) judicially determined (the determination having become final) to have arisen from SSG's gross negligence, fraud, breach of fiduciary duty (if any), bad faith, self-dealing, or willful misconduct, (ii) for a contractual dispute in which the Debtors allege the breach of SSG's contractual obligations, unless the Court determines that indemnification, contribution or reimbursement would be permissible pursuant to *In re United Artists Theatre Co.*, 315 F.3d 217 (3d Cir. 2003); or (iii) settled prior to a judicial determination as to the exclusions set forth in clauses (i) and (ii), but determined by this Court, after notice and a hearing, to be a claim or expense for which SSG should not receive indemnity, contribution or reimbursement under the terms of the Engagement Agreement, as modified by this Order; and
- (c) If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these Chapter 11 Cases (that order having become a final order no longer subject to appeal) and (ii) the entry of an order closing these Chapter 11 Cases, SSG believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution, and/or reimbursement obligations under the Engagement Agreement (as modified by this Order), including without limitation the advancement of defense costs, SSG must file an application therefore in this Court, and the Debtors may not pay any such amounts to SSG before the entry of an order by this Court approving the payment. This subparagraph (c) is intended only to specify the period of time under which this Court shall have jurisdiction over any request for fees and expenses by SSG for indemnification, contribution, or reimbursement, and not a provision limiting the duration of the Debtors' obligation to indemnify SSG. All parties in interest shall retain the right to object to any demand by SSG for indemnification, contribution or reimbursement.

9. During the course of these Chapter 11 Cases, any limitation of liability provisions in the Engagement Agreement shall have no force or effect.

10. SSG shall not unilaterally terminate its engagement under the Engagement Agreement absent prior approval of this Court.

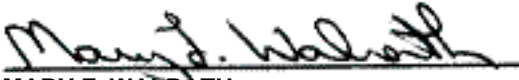
11. SSG shall be compensated in accordance with the procedures set forth in the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, this Order, and any other applicable orders of this Court.

12. In the event of any inconsistency between the Engagement Agreement, the Application, and this Order, the Order shall govern.

13. The Debtors are authorized and empowered to take all actions necessary or appropriate to implement the relief granted in this Order.

14. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation, interpretation or enforcement of this Order.

Dated: April 11th, 2025  
Wilmington, Delaware

  
MARY F. WALRATH  
UNITED STATES BANKRUPTCY JUDGE